

Northwest Salmon Fisheries III

Date of Declaration/Determination: August 7, 1998

Location: Pacific Northwest

Cause: Due to natural causes-poor ocean conditions exacerbated by record winter flooding of 1995-1996 and 1996-1997 in Washington and the Pacific Northwest.

Authority: Sec 312(a) of MSA

Appropriation: FY 1997 Supplemental, June 12, 1997--\$3.5 million

State Match	\$1.17 million
Total Funds	\$4.67 million

Assistance Provided:

Funding was appropriated in advance of NMFS determining there was a commercial failure of the salmon fishery resulting from a fishery resource disaster under MSA 312(a). Once the commercial failure was determined, NMFS awarded a cooperative agreement to Washington State for a Washington salmon permit buyback program. Included in the program were Columbia River gillnet, salmon troll, charter boat, Puget Sound gillnet, Puget Sound reef net, and Puget Sound purse seine permits. Other states were eligible for assistance, but did not request it.

The buyback program had two phases. Information provided by fishermen under the second phase is illustrative of the losses fishermen have suffered from the decline in salmon which was exacerbated by the flooding. Under the first phase, fishermen could surrender their permit for a set fee. After this phase was completed, the remaining funds were used to buy back permits based on a formula that weighted fishermen's offer amounts by their salmon income loss. Salmon income loss was defined to be the difference of the lowest annual gross ex-vessel revenue earned from salmon fishing during the 1992-1997 season from the highest annual gross revenue earned during 1986-91. The second phase only involved Columbia River gillnet permits which, except for the Puget Sound seiners, typically have greater revenues than the other gear types. The fishermen associated with these permits reported losses that ranged from a low of \$21,000 to a high of \$187,000, for an average loss of almost \$100,000 in ex-vessel revenues.

NMFS has no data upon which to estimate the average number of

months that fishermen worked before the disaster. Fishermen range from being fully dependent on the fishery, to fishermen who fish in other fisheries, to fishermen who also have land-based jobs. This fishery is a limited entry fishery and every vessel must fish under a permit. Consequently, the number of active fishermen and the degree of their activity depends on the amount of harvest available.

NMFS also does not have information to estimate impacts on subsistence fishermen, although some tribal fishermen may have sold commercial salmon permits they held for fishing in commercial fisheries.

Typically fishermen have few alternatives other than to participate in other fisheries. For West Coast salmon fishermen, options are few because participation in other fisheries would require already owning, buying, or leasing a permit for that fishery. Harvest quotas for many of these fisheries have been declining.

The buyback program did not result in a decrease in catch, as harvest levels are based on forecasts of returning salmon, not on the number of fishermen or vessels. The funding amount was not sufficient to cause major restructuring of the local and regional economy. In 1998 there were 2,111 salmon permits in the Washington salmon fishery. Half of these permits were offered up for buyback; however, there were only sufficient funds to buy back 391 of these permits.

An individual whose permit was purchased in Phase 1 discussed above is not restricted from re-entering a Washington salmon fishery; however, the person will have to purchase an existing Washington salmon permit from another fisherman. Applicants whose permits were purchased in Phase 2 became ineligible to purchase or operate a Washington commercial salmon permit or salmon charterboat permit for 10 years, unless they had an additional permit not offered up in the buyback.